

**Town Council Minutes
Morehead City, North Carolina**

Tuesday, July 10, 2012

The Honorable Council of the Town of Morehead City met in Regular Session on Tuesday, July 10, 2012, at 5:30 p.m., in the Morehead City Train Depot, 1001 Arendell Street, Morehead City, North Carolina. Those in attendance were:

MAYOR:	Gerald A. Jones, Jr.
MAYOR PRO-TEM:	Harvey N. Walker, Jr.
COUNCIL:	George W. Ballou Bill Taylor Demus L. Thompson Diane C. Warrender
INTERIM CITY MANAGER:	Peter T. Connet
CITY CLERK:	Jeanne M. Giblin
CITY ATTORNEY'S OFFICE:	Nelson W. Taylor, III, Derek Taylor, Mike Thomas
OTHERS:	Jan Frye; Mike Hargett; Ken Jones, Mayor, Pine Knoll Shores; Steve Levy; R. G. Cooper; Ed Church; Ben Hill; Jeannie Vaughan, Planning Secretary; Daniel K. Williams, Public Utilities Director; Mark Hibbs, Reporter, THE CARTERET NEWS TIMES; George Ajlouny; Janette Ajlouny; Sarah Carroll; Mart Bell; James N. "Cap'n Jim" Willis III, Carole Pelletier; Helen Conley; Jerry Bell; Meredith Kittrell; Laura Dixon; Boyce Cheek; Eric J. Remington; Trace Cooper, Mayor, Atlantic Beach; David Walker, Manager, Atlantic Beach; Caroline Miller; Tom O'Brien; Pete Miller; Patty Miller; Mrs. Joseph W. Neal, III; B. J. Femia Leeuwenburg; Rex Edwards, N.C. State Ports; Corinne Geer; Chase Templeton; Rusty Anderson; Ray L. Gray, Sr.; Mara Willis, Meredith Vincent; David Coy; Sheila Coy; Keri V. McCann; Gavin Langley; Kenneth Tootle; Planning Director Linda Staab; Lennie Griffin; Police Major Garland Terry; Buddy Bengel; Andy Harris; Tom Kies and several others

I. Regular Meeting Call to Order

Mayor Jones opened the meeting at 5:30 p.m., Councilman Thompson gave the invocation and all joined in The Pledge of Allegiance.

II.A. Special Presentation: Ekklesia and Friendship Day

Carole Pelletier and Helen Conley representing the Friendship Committee of Ekklesia presented the Council with homemade treats in honor of Friendship Day.

II.B. Special Presentation: Second Annual Pine Knoll Shore Hope for the Warriors Bicycle Ride "La Tour de Bogue Banks" -- Ken Jones, Mayor of Pine Knoll Shores and Mike Hargett, Chairman of La Tour de Bogue Banks

On April 21, 2012, La Tour de Bogue Banks "Hope for the Warriors" Bicycle Race was held to raise money for wounded soldiers and sailors. Morehead City had the most bicyclists participating from any of the other Bogue Banks towns, and therefore, is recipient of the La Tour de Bogue Banks "Traveling" Trophy which was presented by Pine Knoll Shores Mayor Ken Jones and Chairman Mike Hargett. Mayor Ken Jones announced the bicycle race registered 160 riders and raised \$16,500 for America's wounded warriors.

III. Adoption of the CONSENT AGENDA

III. A. Approval of Minutes:

**Monday, June 4, 2012, Special Meeting/Budget
Tuesday, June 5, 2012, Special Meeting/Closed Session
Monday, June 11, 2012, Special Meeting/Budget
Tuesday, June 12, 2012, Regular Meeting
Wednesday, June 13, 2012, Special Meeting/Closed Session
Tuesday, June 19, 2012, Special Meeting/Open & Closed Sessions
Friday, June 22, 2012, Special Meeting/Closed Session**

Councilman Walker requested that the June 12, 2012, Regular Meeting minutes reflect an amendment regarding physical examinations for taxi drivers in the proposed taxi ordinance.

Approved the minutes of Monday, June 4, 2012, Special Meeting/Budget Work Session; Tuesday, June 5, 2012, Special Meeting/Closed Session; Monday, June 11, 2012, Special Meeting/Budget Work Session; Tuesday, June 12, 2012, Regular Meeting, as amended; Wednesday, June 13, 2012, Special Meeting/Closed Session; Tuesday, June 19, 2012, Special Meeting/Open & Closed Sessions; and Friday, June 22, 2012, Special Meeting/Closed Session; and dispensed with the readings.

III.B. Approve No Requests for Release of Overpayment of Ad Valorem Taxes for June 2012; and Accept the Tax Collector Report for June 2012 [Finance Director Report will be presented at August 2012 Meeting]

There were no requests for release of overpayment of ad valorem taxes for June 2012.

Accepted the Tax Collector Report for June 2012. The Finance Director's Report for June 2012, will be presented at the August 14, 2012, Council Meeting.

III.C. Approve the Justification for Alternate Bids for Contract No. #71, Water Treatment Plants 2, 3 and 4

North Carolina General Statute 133-3 allows units of government to specify one [1] or more preferred brands as alternates to base bid items in limited circumstances. In the near future Morehead City intends to advertise for bids for Contract No. #71 to construct three [3] new water treatment plants and desires that the contract includes alternate bid items for certain equipment, critical to performance, to minimize future operation and maintenance requirements. Justification for the alternate bids stems from anticipated cost savings expected to accrue over time and benefits associated with equipment functioning.

Approved the justification for alternate bids for Contract No. #71, Water Treatment Plants 2, 3, and 4. [Attached to and made a part of these minutes is the justification for alternate bids.]

III.D. Receipt of Tax Collector's Settlement for FY2011/2012; Distribution of Tax Records/Receipts; Tax Collections for FY2011/2012; Outstanding Taxes FY2011/2012; Real Estate Delinquent Report for Tax Year 2011; Barred Tax List Effective September 1, 2012; and Insolvents List

The Tax Collector's Settlement for FY2011/2012 taxes as of June 30, 2012, and the Insolvent Report were presented. The total disposition of tax records and receipts for the 2011 tax year was \$5,281,449.07 with the percentage of collection at 98.87 percent as of June 30, 2012. The total tax collections including discounts for 2010 were \$5,256,607.30. Morehead City's outstanding taxes as of June 30, 2012, were \$77,123.67 and the real estate delinquent report for tax year 2011 was \$53,746.58. The barred tax list effective September 1, 2012, is \$224.40. The insolvents list, which is a list of taxpayers who listed no real estate taxes and who have not paid their personal taxes by the time the report was filed was in the amount of \$5,580.46. Collection efforts on these accounts will continue.

Acknowledged receipt of Tax Collector's Settlement for FY2011/2012; Distribution of Tax Records/Receipts of Tax Collections for FY2011/2012; Outstanding Taxes FY2011/2012; Real Estate Delinquent Report for Tax Year 2011; Barred Tax List Effective September 1, 2012; and Insolvents List. [All reports are attached to and made a part of these minutes.]

III.E. Authorize Collection of FY2012/2013 Ad Valorem Taxes

As per G.S. 205.321, the Council must adopt and enter into the minutes [after July 1st and prior to September 1st] an order charging the Tax Collector with the duty of collecting FY2011/2012 Ad Valorem Tax. By the adoption of this directive, the governing body is hereby authorizing the Tax Collector to comply. The tax bills are projected to be mailed in late July.

Authorized the Collection of FY2012/2013 Ad Valorem Taxes. [The authorization to collect FY2012/2013 ad valorem taxes is attached to and made a part of these minutes.]

III.F. Approve Fire/EMS Station No. 2 Change Orders and Award of Generator Bid to Thomas Simpson Construction of Morehead City in the amount of \$44,762.00

At the recent Public Safety Committee meeting information was presented concerning change orders at the new Fire/EMS Station No. 2 building project as well as recently received generator bids. Change orders include needing to insulate 360 linear feet [lf] of original water line in the area above the ceiling and an infill of a space in the break room where a chase once existed.

There is an existing overhead water line which may be exposed to freezing temperatures. The contractor's original rejected proposal was just over \$2,626. Efforts by the contractor to reduce this price were effective and the work is now offered at \$1,191.00. This pricing more reasonably reflects the cost for insulating the water line. The Public Safety Committee of the Council recommended approval.

When the demountable partitions were deleted from the project, a small chase which had been planned to remain in the break room was also removed due to its incorporation with the partitions. The preferred solution is to extend the cabinets through the open area to the existing wall. Costs for this option are \$481.00. The Public Safety Committee also recommended approval of this change.

The following bids for providing and installing a standby generator for the station have been received and reviewed with the Committee:

	Cummins Atlantic LLC *	Thomas Simpson Construction	Powerhouse
175 KW Standby Generator	\$ 41,800.00 *	\$ 41,732.00	\$ 50,295.00
Wiring	\$ 00.00	\$ 3,030.00	\$ 1,200.00
TOTAL	\$ 41,800.00 *	\$ 44,762.00	\$ 51,495.00

* Incomplete Bid

One [1] incomplete bid was received and was not evaluated. Low bid for the project was from Thomas Simpson Construction of Morehead City in the amount of \$44,762.00. The unit offered is a Clark Generator and includes favored key components such as a John Deere engine and Windows based operating software. After review, the Public Safety Committee recommended the award of the generator and installation to the low bidder.

Approved the Fire/EMS Station No. 2 Change Orders and Awarded Generator Bid to Thomas Simpson Construction of Morehead City in the amount of \$44,762.00.

III.G. Adopt Ordinance 2012-29 Amending the Code of Ordinances of the Town of Morehead City, Chapter 16, Water and Sewers, Art. III, Waterworks System Regulations, Section 16-44 [m] and Sections 16-50 [d] and [e]

At the last Public Utilities Committee of the Council meeting the City ordinance regarding the delivery and billing of water service to multi-use buildings [units] was reviewed. The objective of the Committee was to more simply clarify the necessity for individual meters in certain circumstances especially for multi-use buildings and multi-use building owners.

Adopted Ordinance 2012-29 Amending the Code of Ordinances of the Town of Morehead City, Chapter 16, Water and Sewers, Art. III, Waterworks System Regulations, Section 16-44 [m] and Sections 16-50 [d] and [e]. [Ordinance 2012-29 is attached to Ordinance Book #7 in the vault.]

III.H. Authorize the Development of a Request for Qualifications [RFQ] for a Design Firm for the Development of the Charles Wallace Property

For the last few months, City staff has been in contact with the State Historic Preservation Office as well as tax consultants, design professionals and contractors who specialize in restoration projects. The purpose is to learn about various aspects of the historic restoration process as well as opportunities to benefit from the sale of tax credits for the Charles Wallace Building restoration.

From this research City staff was able to meet and discuss the possible renovation of the building with representatives of Adolph & Peterson Construction. After visiting the site they offered to produce a proposed budget for restoration the City could use for later development of the project.

When presenting this information to the Public Works Committee it was mentioned that there are local organizations that need to make use of the grounds for donated improvements. Since the renovation of the building may still be years in the future it was suggested that a site plan be developed to address the need of local charitable groups. This becomes a realistic option with the building restoration taking a historic track that is well defined through original plans and historic photos.

It was the recommendation of the Public Works Committee that the Council authorize the development of a Request for Qualifications (RFQ) to determine a design firm to begin a plan for the Charles Wallace property.

Authorized the Development of a Request for Qualifications [RFQ] for a Design Firm to begin a plan for the development of the Charles Wallace property.

Councilman Taylor MOVED, seconded by Councilwoman Warrender, and carried unanimously, to adopt the CONSENT AGENDA in one [1] motion.

IV.A. Public Hearing: Endorsement and Adoption of the Carteret County Comprehensive Transportation Plan [CTP] – Adopt Resolution 2012-32

Planning Director Staab explained that in 2009, Carteret County and its municipalities began work on the Carteret County Comprehensive Transportation Plan [CTP]. This plan addresses four [4] types of transportation: highway, bicycle, pedestrian and transit. The focus of the CTP is to look forward 30 years and is a county-wide plan that may be changed and adjusted over the course of time. With recent changes to the statewide transportation priority system which identifies where transportation dollars are spent, it is critical for communities to adopt a CTP. The CTP project list is the feeder list for the Transportation Improvement Project list which identifies projects that are funded. If a project is not included with the CTP, funding opportunities are limited.

The Carteret County Board of Commissioners adopted the CTP on June 18, 2012. At the Planning Board Meeting on June 19, 2012, City staff recommended that a CTP specific to Morehead City be requested so that additional points may be earned towards funding for Morehead City projects. Corinne Geer made the motion, seconded by Gordon Thayer, and carried unanimously, to endorse the Carteret County CTP and to make the request that a study specific to Morehead City be conducted.

Mayor Jones opened the public hearing. No one spoke for or against the plan.

Mayor Jones closed the public hearing.

Councilman Taylor MOVED, seconded by Councilman Thompson, and carried unanimously, to adopt Resolution 2012-32 endorsing the Carteret County Comprehensive Transportation Plan [CTP] and request that a study be conducted specific to Morehead City. [Resolution 2012-32 is attached to and made a part of these minutes.]

IV.B. Public Hearing: City Initiated Request to Amend Articles 2-2, 9-13, 11, 13-1, 14-12, 14-15, 14-35, 15-1 and 19 of the Unified Development Ordinance [UDO] to establish new Port-Maritime [PM] and Industrial [I] Districts and to eliminate

the existing Port-Industrial [IP] and Unoffensive Industrial [IU] Districts – Adopt Ordinance 2012-24

Planning Director Staab reported that for the past year the Planning Board and City staff has been studying the zoning classifications for industrial uses in Morehead City's current Unified Development Ordinance [UDO]. Ordinance 2012-24 is the culmination of that process which establishes a new Port-Maritime [PM] District and an Industrial [I] District eliminating the existing Port-Industrial [IP] District and the Unoffensive Industrial [IU] District. Planning Director Staab continued that this project has been one of the biggest community projects ever undertaken by the City. She explained the proponents of the proposed amendments and demonstrated by way of planning maps the zoning changes.

Planning Director Staab reported that the City is in receipt of a valid protest petition regarding the proposed changes to the Ajlouny property located near Carteret Community College.

Planning Director Staab reported that at the June 19, 2012, Planning Board Meeting, Gordon Thayer made the motion, seconded by John Creech, and carried unanimously, to recommend the ordinance amendments be approved as written in the study. The Planning Committee of the Council reviewed the proposed amendments.

Councilman Thompson commented that he wanted everyone to be aware of the amount of work and effort on the part of the Planning Board and City staff which went into this project.

Councilman Taylor pointed to the definition of "Port Maritime" and the sentence, "It is the joint responsibility of the State Port Authority, its local representatives, and the Morehead City Council, to work cooperatively to protect the quality of life and safety of the City's citizens and its economic competitiveness." He continued that this definition set the expectations of working together with citizen groups to continue to maintain the quality of life here and still provide jobs. He questioned under "Manufacturing and Processing" [SIC #295] regarding asphalt, paving and roofing materials, which is not defined in detail, if this would allow a company to build a manufacturing roofing plant at the port.

Planning Director Staab answered affirmative stating that the use did not change.

Councilman Taylor questioned what "fuel services" included.

Planning Director Staab replied that the term "fuel services" is a renaming of petroleum bulk storage/plant and does not include the manufacturing of LP gas.

Councilman Taylor questioned if the ordinance has eliminated the possibility of sulfur at the port.

Planning Director Staab explained that if the process occurs within a building the City could address that issue. If it is an open storage or structure the City has no jurisdiction as it is a matter for the State.

Councilman Taylor suggested that City staff should look at manufacturing and processing definition to see if the uses were compatible with the surrounding zoning. He continued that the federal government has priority over state level, the state level has priority over the county and municipal level; so it is truly a spirit of cooperation that makes these situations negotiated. He questioned if it would be a problem to add these statements.

The Council agreed to remove the consideration of the Ajlouny property from this portion of the meeting and return to the amendments raised by Councilman Taylor after the public hearing.

Councilman Thompson MOVED, seconded by Councilman Ballou, and carried unanimously, to remove consideration of the Ajlouny property temporarily because of receipt of the protest petition.

Mayor Jones opened the public hearing.

Bill Baily, 5210 Midyette Court, Morehead City, and a representative of the Port Committee stated he was a pilot at the port and has good knowledge of what transpires there. He was concerned with the City controlling what happens at the port. A lot of cargo goes through the port which necessitates the port depth being maintained. Everyone in the community is affected by the deep water inlet and the port will play a part in the community's future. He cautioned the Council to be careful about choking business at the port. He was of the opinion that the proposed ordinance was a good working document and the project had good local participation.

Mayor Jones recessed the public hearing on the foregoing item.

Councilman Taylor requested that where it says Manufacturing and Processing that it read "Manufacturing and Processing, *compatible with surrounding zoning.*" This qualification would restate the expectation to protect the quality of life and safety of the city's citizens.

Councilman Ballou stated that the statement could be open for interpretation.

Discussion ensued on the ability of adding the qualifying statements from Councilman Taylor.

Councilman Thompson offered to adopt the ordinance as it stands and revisit it at a future time to amend it. This would give the Planning Committee of the Council additional time to review the proposed amendments suggested by Councilman Taylor.

Councilman Thompson MOVED, seconded by Councilman Walker, and carried unanimously, to adopt Ordinance 2012-24 granting the City Initiated Request to Amend Articles 2-2, 9-13, 11, 13-1, 14-12, 14-15, 14-35, 15-1 and 19 of the Unified Development Ordinance [UDO] to establish new Port-Maritime [PM] and Industrial [I] Districts and to eliminate the existing Port-Industrial [IP] and Unoffensive Industrial [IU] Districts, with the exception of the amendments which were discussed which will be further reviewed by the Planning Committee and Planning Board. [Ordinance 2012-24 is attached to Ordinance Book #7 in the vault.]

IV.C. Public Hearing: City Initiated Request to Rezone All Parcels Currently Zoned Port-Industrial [IP] and Unoffensive Industry [IU] to Port-Maritime [PM] and Industrial [I] Districts – Adopt Ordinance 2012-25

Planning Director Staab reported that in conjunction with Ordinance 2012-25 which establishes the Port-Maritime [PM] and Industrial [I] Districts, the adoption of Ordinance 2012-25 rezones particular parcels currently zoned Port-Industrial [IP] and Unoffensive Industry [IU] into the newly established districts of PM and I.

Property owners within 300 feet of the properties were notified of the Planning Board meeting as well as the date of the public hearing. Letters were mailed to property owners and nineteen signs were posted on industrial parcels throughout town. The staff reports, legal advertisements, and dates of the public meeting and hearing have been posted on the City's website.

As presented, the proposal does not appear to conflict with any policies of the Land Use Plan.

At the Planning Board Meeting held June 19, 2012, Gordon Thayer made the motion, seconded by Jackie Maucher, and carried unanimously, to recommend approval of the rezoning requests with three changes: 1) 133 Gloria Dawn Road, PIN #636601278765000, from Highway Commercial (CH) and Port Industrial (IP) to Industrial (I); 2) 3922 Arendell Street (portion), PIN #637617223029000, from Unoffensive Industry (IU) to Highway Commercial (CH); and 3) 311 Friendly Road, PIN #637613047340000, from Unoffensive Industry (IU) to Commercial Neighborhood (CN) along with Planning Board Resolution No. 2012-0002. The Planning Committee of the Council reviewed the proposed ordinance at their last meeting.

Planning Director Staab explained that a verified protest petition regarding the Ajlouny property located in the vicinity of Carteret Community College was received. The neighborhood has requested that the zoning be O & P [Office & Professional] instead of CH [Commercial Highway] which was recommended by the Planning Board.

Mayor Jones re-opened the recessed public hearing to discuss the Ajlouny property specifically.

Janette Ajlouny, the owner of the property explained that the parcel is 1 ½ acres and has three [3] different zoning designations. The portion on Highway #70 is zoned CH [Highway Commercial], another portion is currently zoned IU [Industrial Unoffensive] and a third portion is zoned R7 [Residential]. It is their desire to have this piece zoned as CH. She and her husband have agreed to consider the neighbors' needs and will agree to allow the property to remain as a residential use. She also stated that no exit will be made across an adjacent parcel of their property for entry onto Arendell Street.

Eric Remington, an Attorney in New Bern, representing Laura Dixon of 161 Banks Street in Morehead City, distributed materials to the council. He explained that the parcel in question is three [3] different zoning classifications, R7 [Residential], CH [Highway Commercial] and IU [Industrial Unoffensive]; the portion currently designated as IU is the subject parcel. This portion is recommended to be rezoned to CH by the Planning Board. The residents of the neighborhood do not think this designation is appropriate for a Neighborhood 4 under the guidance of the CAMA Use Plan. He requested that the IU property be zoned as O & P [Office & Professional], as he felt the uses allowed under the CH designation would encroach on the residential area of Banks Street.

Councilman Walker questioned the City Attorney if the proposed zoning designation was illegal. The answer was negative.

Laura Dixon, 161 Banks Street, Morehead City, stated her home is 308 feet from the Ajlouny property. She purchased the home as retirement property and it is a quiet community. She was concerned about noise, light pollution, foot traffic, etc. with the proposed rezoning designation.

Tom O'Brien, 141 Oaks Street, Morehead City stated he purchased the property for his retirement home and he respects a property owner getting the best use of his property, however, he felt that the O & P zoning designation would be better for that piece of property because it will allow the best use of the property. He asked for consideration of neighborhood and for the Council to consider O & P zoning for that parcel.

Meredith Kittrell, 151 Banks Street, Morehead City stated that the neighborhood is trying to stay a neighborhood. Any business encroachment will be a detriment to all the neighbors. If the property were to be sold in the future, the Ajlounys will not have control over its development.

George Ajlouny owner of the property stated that the parcel currently has three [3] zoning designations and it is difficult to do anything with it. He stated he understood the concern of his neighbors, however, the proposed zoning was recommended by the Planning Board. The Ajlounys have agreed not to use the R7 [Residential] property for traffic access to the other parcel. To change to another zoning designation would mean that the property stays with a three [3] zoning designation. He continued he was sorry that the neighbors feel his family is causing problems and his family is willing to make this promise in writing. His family has owned the property for over 25 years. He likes the community and is not against his neighbors now or in the future.

Pete Miller, 4009B Oak Street, Morehead City stated he has seen the neighborhood grow from dirt paths to paved streets. Oak and Banks Streets are one of the nicest neighborhoods in Morehead City. He encouraged the Council to think about the integrity of the neighborhood. He would not like to see increased traffic, noise, light, etc., and wants to preserve this pristine part of Bogue Sound.

Caroline Miller, 4009A Oak Street, Morehead City, stated she was retiring to Morehead City and that the depth of the area from Highway #70 to the water is one [1] block. Anything that encroaches was not a good thing for their little community. She

requested that the Council keep that in mind and make the area more protected.

Ray Gray Sr. 4006 Oak Street, Morehead City stated he lived there for over 40 years and raised 5 children. He was against any changes that might be made in that area.

Gavin Lewis, 4007 Oak Street, Morehead City stated he raises his children there and opposes any changes to the neighborhood.

Boyce Cheek, 100 Old Towne Yacht Club, Morehead City was concerned about a road accessing Highway #70 on the subject parcel. He requested that the Council establish a basis for a conditional use zoning for a specific site plan in order for the development of the parcel to be controlled today and in the future.

Mayor Jones closed the public hearing.

Councilwoman Warrender commented that the neighborhood must be getting traffic from the Community College and she questioned about the impact from Carteret Tire and the commercial areas in the vicinity.

Planning Director Staab reported that the neighborhood is sheltered from the Carteret Tire and the other commercial area by vegetation and walls.

Councilwoman Warrender commented that because of development, it is sometimes impossible to keep control of your community. She admitted that her neighborhood has been impacted by the increased foot traffic due to the development of the Morehead City waterfront, but sometimes one has to adjust.

Councilman Thompson questioned the buffering obligations between commercial and residential properties.

Planning Director Staab replied there are fencing and planting requirements.

Councilman Thompson questioned if it were to be zoned O & P, there may be traffic. He also questioned the City Attorney if the use of the property could be somehow deeded.

City Attorney Taylor replied that if the City were to have any control over the use of the property, it would be through zoning. If it, however, were to be zoned CU [Conditional Use], than the specified use could be regulated.

Councilman Thompson continued that the Planning Board considered the incidence of traffic very seriously and that the Planning Board designated their stated zoning of that property because the Ajlounys had agreed they were not going to allow any traffic use through the property.

Councilman Thompson recommended bringing this issue back to the Planning Committee and Planning Board to look at all the conditions that exist and come back to Council at a later date.

Councilman Ballou commented that the neighborhood has serious concerns and he respects the neighborhood. However, he also respects the Ajlouny's request that the property be one [1] zoning designation.

Planning Director Staab explained that by adopting Ordinance 2012-24, the Council eliminated the IU zoning designation.

City Attorney Nelson Taylor advised that the portion of the Ajlouny property in question will still be zoned IU, but will be subject to the regulations of the newer classification uses.

Councilman Thompson MOVED, seconded by Councilman Ballou, and carried unanimously that the Council table the zoning designation for the Ajlouny property for further review by Planning Committee of the Council and the Planning Board.

Councilman Thompson MOVED, seconded by Councilman Ballou, and carried unanimously, to adopt Ordinance 2012-25 granting the City Initiated Request to rezone all parcels currently zoned Port-Industrial [IP] and Unoffensive Industry to Port-Maritime [PM] and Industrial [I] Districts, with the exception of the Ajlouny property. [Ordinance 2012-25 is attached to Ordinance Book #7 in the vault.]

IV.D. Public Hearing: Request submitted by R. Andrew Harris, on behalf of Phillip A. Lewis, to Amend Article 16-12.3 of the Unified Development Ordinance [UDO] to allow alleys located within areas depicted in Map Book 1, Page 139 of the Carteret County Registry to be platted at no less than 10' in width, in lieu of the otherwise required 20' width – Adopt Ordinance 2012-26

Planning Director Staab reported that Attorney Andy Harris requested this item be tabled indefinitely. She explained that the Council can review it if they so choose, because the request was received within ten [10] days of the Council meeting.

Councilman Taylor MOVED, seconded by Councilman Ballou, and carried unanimously, that at the request of the attorney, R. Andrew Harris, that this item be tabled indefinitely.

The Council held a five [5] minute recess.

V.A. New Business: O'Neal Baseball Field Concession Building Proposal

Interim City Manager Connet stated that the Public Works Committee of the Council recently discussed the possibility of moving forward with design modifications of the existing concession/restroom plans at Big Rock Stadium in preparation to identify the expense to construct the building which will become located behind the bleacher area. Because of the upcoming addition to the baseball property through the acquisition of the Womble Property on Mizelle Drive and the chance to accommodate uses within that structure that were planned in the proposed concession building, an opportunity for redesign and reduction in the scope of work and cost may be realized.

The Committee's interest in this project is the less than desirable appearance of the mobile restroom and office units provided every season and the ongoing rental expenses of almost \$5,500 for the restroom facilities and just over \$1,300 for the office space. These cost savings could be realized if the project is pursued.

There is a proposal from Coastal Architecture, Lee Dixon, Architect, for the redesign of the structure. Mr. Dixon provided the original building design. It is the Committee's request to perform the Design-Construction Document phase of the work only. This expense is proposed at \$12,000. Once completed the work will be reviewed and discussed to determine a course of action.

Interim City Manager Connet reported there is \$12,000 in the capital project budget at this time for several related projects at the ballfield and that the building has been reduced by 16 feet on both ends from what was initially proposed. A budget amendment may be needed at the next Council meeting, after review by the Finance Director who is on sick leave at this time.

Councilman Ballou explained that the costs for the renting of the mobile units would become unnecessary were the proposed project realized.

Councilman Ballou MOVED, seconded by Councilman Taylor, and carried unanimously, to authorize the redesign of the O'Neal Field Concession building with Coastal Architecture, Lee Dixon, for an amount not to exceed \$12,000.

V.B. New Business: Adopt Ordinance 2012-28 Amending the Code of Ordinances of the Town of Morehead City Chapter 8, Licenses, Permits and Business Regulations, Art. VI., Taxicabs, Div. 1, Sec. 8-156 to 8-175 and Div. 2, Sec. 8-176 to 8-205

Interim City Manager Connet reported that the Public Safety Committee of the Council met on June 26, 2012, to further tweak the amendments to the proposed taxi ordinance. At that meeting many of the vehicles for hire proprietors were in attendance.

The updated ordinance was presented for review and possible adoption. It incorporates the amendments made at the June 12th Council Meeting and revisions such as further clarifying the “designated driver” definition, requesting a Department of Transportation [DOT] physical examination of drivers and the Chief of Police issuance of a city decal for vehicles under the auspices of this ordinance.

Interim City Manager Connet described the new definition of Designated Driver. Under the proposed ordinance either one is a taxicab or a vehicle for hire designation. This would include designated drivers who are compensated as they would be considered a vehicle for hire. A vehicle for hire and taxi drivers would have to go through all the permitting processes. Vehicles for hire do not need the Certificate of Convenience or Necessity, but do have to submit to all the driver processes.

Interim City Manager Connet reported that the Public Safety Committee of the Council recommended bidding by the North Carolina Department of Transportation [NCDOT] physical examination process. He further explained the changes which were now part of the proposed ordinance.

Councilman Walker reported that the Public Safety Committee wanted to further review the “Designated Driver and Vehicle for Hire” portions of the ordinance for possible future amendments.

Councilwoman Warrender concurred that the Committee would like to further review some of the components of the ordinance.

Councilman Walker MOVED, seconded by Councilman Ballou, and carried unanimously, to Adopt Ordinance 2012-28 Amending the Code of Ordinances of the Town of Morehead City Chapter 8, Licenses, Permits and Business Regulations, Art. VI., Taxicabs, Div. 1, Sec. 8-156 to 8-175 and Div. 2, Sec. 8-176 to 8-205. [Ordinance 2012-28 is attached to Ordinance Book #7 in the vault.]

Councilman Walker MOVED, seconded by Councilwoman Warrender, and carried unanimously, that the effective date of Ordinance 2012-21 regarding taxicabs adopted on June 12, 2012, and Ordinance 2012-28 would be August 14, 2012.

V.C. New Business: Proposed Joint Feasibility Study between the Town of Morehead City and the Town of Atlantic Beach on a Regional Approach to Wastewater Treatment

Trace Cooper, Mayor of Atlantic Beach, stated that Morehead City is in receipt of a letter dated June 11, 2012, from the Town of Atlantic Beach formally requesting that Morehead City consider undertaking a joint feasibility study with the Town of Atlantic Beach in which Atlantic Beach would purchase a limited amount of wastewater treatment capacity from Morehead City. [Attached to and made a part of these minutes is the June, 11, 2012, letter from Mayor Trace Cooper.] The Town of Atlantic Beach is hoping to see quality redevelopment of the Atlantic Beach Causeway area as well as their other commercial districts, however, a hurdle is their lack of centralized wastewater treatment facilities. Atlantic Beach is requesting limited access to Morehead City’s wastewater treatment plant to service these areas. Atlantic Beach would provide additional revenue for this service.

Morehead City Consulting Engineer Tyndall Lewis of McDavid & Associates, provided an explanatory memorandum regarding this request. [Attached to and made a part of these minutes is the July 3, 2012, letter from Tyndall Lewis.]

Eric Broyles, 904 North Yaupon Terrace, Morehead City provided written comments regarding this item. [Attached to and made a part of these minutes is the July 8, 2012, e-mail submitted by Eric Broyles.]

Mayor Trace Cooper reported that the Town of Atlantic Beach was trying to have some sort of central sewer district for Atlantic Beach’s commercial district now and in the future. A centralized sewer is a high priority in order to develop the commercial area. Mayor Cooper further explained that he was under the impression there was excess capacity at the Morehead City Wastewater Treatment Plant and the opportunity to

purchase wastewater services would be affordable. The wastewater services and the accompanying fees would be limited to the Atlantic Beach commercial districts. Mayor Cooper continued that in light of the memorandum from Tyndall Lewis, the Town of Atlantic Beach would prefer to have an opportunity to discuss this request with Mr. Lewis. If it is too expensive, it would not be an option for Atlantic Beach. As much as Atlantic Beach would like to give relief to their commercial districts, it would not do so at the expense of the rest of the Town and its citizens. The Town of Atlantic Beach requested time to explore all options. Mayor Cooper requested that the Morehead City table the request indefinitely.

Councilman Taylor advised that Atlantic Beach may want to approach the Bunn Group about using their sources for wastewater management.

Councilman Taylor MOVED, seconded by Councilman Ballou, and carried unanimously, to table the request of Atlantic Beach for use of Morehead City wastewater treatment services indefinitely.

VI. Citizens Requests/Comments:

Pace Winsted, 510 Kinston Avenue, Atlantic Beach, commented that Mayor Cooper and Council have done an outstanding job since they were elected. They were re-elected for three terms. In 2007, the Town of Atlantic Beach had a Council that was trying to push sewer on Atlantic Beach residents with the result that they were not re-elected. He continued that even though the current Mayor and Council guarantee that the residents will not pay for sewer, this could be changed. The Council could decide the taxpayers can pay for the sewer. He did not want to see Atlantic Beach turn into Myrtle Beach, S.C.

Captain James Willis III, 104 Atlantic Beach Causeway, Atlantic Beach commented that Atlantic Beach residents do not approve of this issue. This is the Mayor's crusade for sewers. The Council has not spoken on this issue.

Lennie Griffin, 2403 Bay Street, Morehead City stated that when he was concerned about the expenses for taxicab owners regarding the adopted taxicab ordinance and its possible amending, he was advised by the Interim City Manager that he would still going to have to do the changes and improvements as outlined in the ordinance. He thanked the Council for updating the taxicab ordinance.

Kenneth Tootle, 1500 Fisher Street, Morehead City stated he wanted to relate an incident concerning the Morehead City Police Department whereby the SWAT van had troops in his driveway with machine guns. He further claimed that his rights were violated when they searched his vehicle. He continued that the police give tickets for speeding and then search the vehicles for drugs. This has happened to him. He is hiring a lawyer and will file a suit against the Morehead City Police Department.

VII. City Manager Report: No report at this time.

VIII. Council Requests/Comments:

Councilman Taylor commented about "Alive at Five" held the first Friday evening of July at Katherine Davis Park and the great response to the Band of Oz. He requested that the City make a note to include discussion of the parking situation on the Morehead City waterfront for a long term solution.

IX. CLOSED SESSION AS PER G.S. 143.318.11 [a] [3] TO APPROVE THE CLOSED SESSION MINUTES OF TUESDAY, MAY 8, 2012; WEDNESDAY, MAY 16, 2012; WEDNESDAY, JUNE 5, 2012 AND WEDNESDAY, JUNE 13, 2012; AND TO DISCUSS POTENTIAL LITIGATION WITH THE CITY ATTORNEY

Councilman Thompson MOVED, seconded by Councilman Ballou, and carried unanimously, to enter into CLOSED SESSION.

Councilman Thompson MOVED, seconded by Councilman Taylor, and carried unanimously, to return to OPEN SESSION.

There being no further business, the meeting was adjourned at 8:20 p.m.

Gerald A. Jones, Jr., Mayor

Attest:

Jeanne M. Giblin, City Clerk